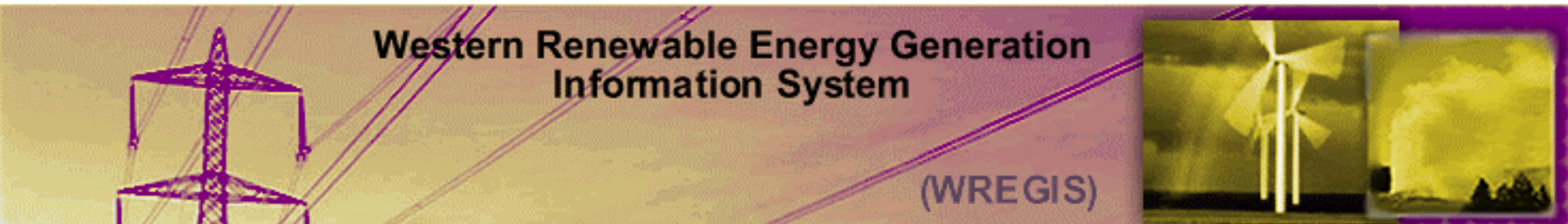


WREGIS



Ninth Annual Green Power Marketing Conference

October 4, 2004

Albany, NY

Rasa Keanini

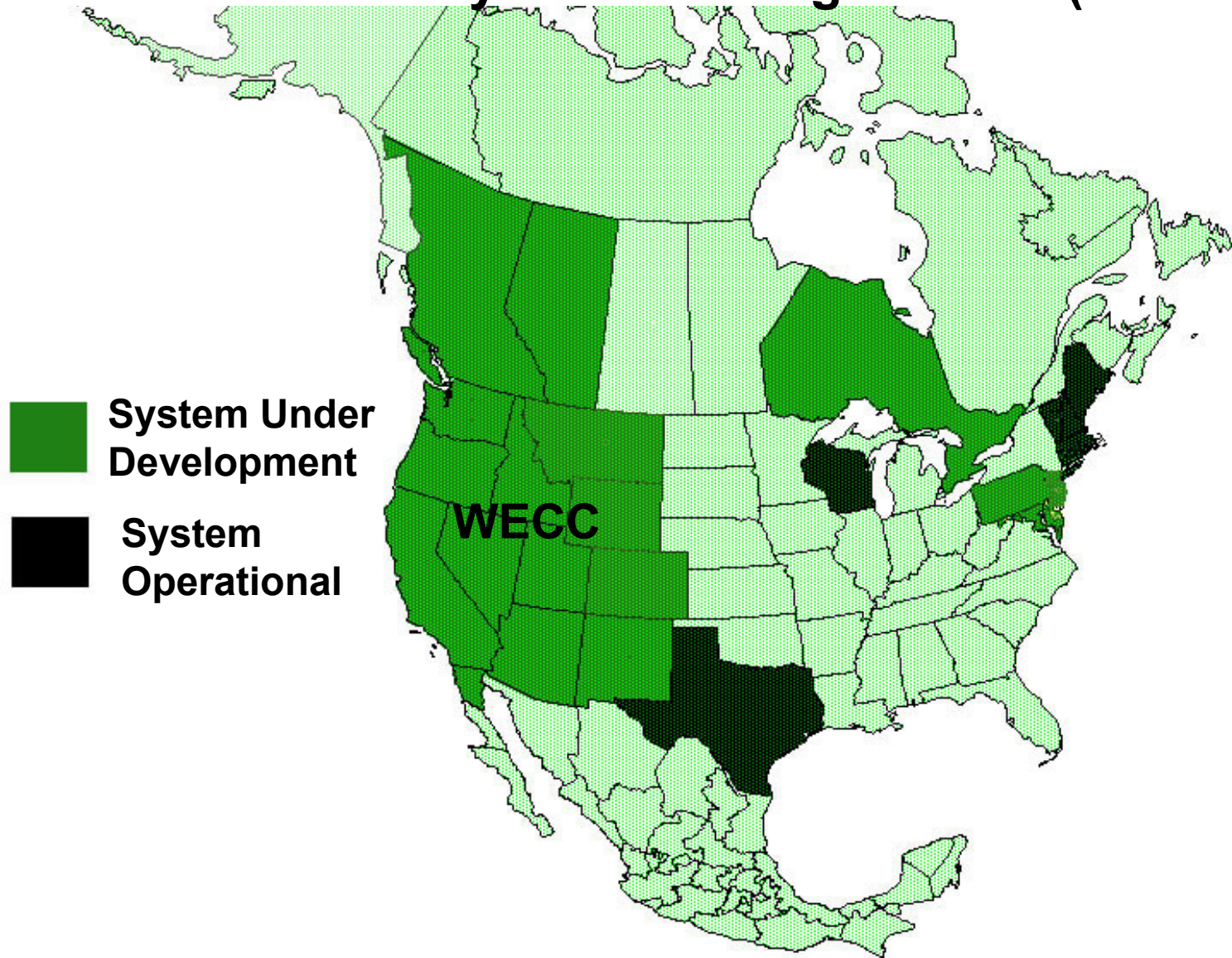
What is WREGIS?



- Western Renewable Energy Generation Information System
- Voluntary independent accounting system for the region covered by the Western Electricity Coordinating Council (WECC) that:
 - tracks renewable energy generation
 - creates renewable energy certificates (certificates)
 - accounts for transactions involving certificates
 - supports voluntary and regulatory markets for certificates

WREGIS Geography

Western Electricity Coordinating Council (WECC)



WREGIS Policy Drivers



- Western Governors' Association (WGA) policy on renewable energy certificates
- Western Regional Air Partnership (WRAP) policy support for renewable energy as an air pollution prevention strategy.
- California RPS, mandated by legislation

WREGIS Functions



- Verify renewable energy generation
- Issue and retire certificates with unique serial numbers
- Track wholesale renewable energy transactions
- Verify compliance with state renewable energy policies/programs
- Accommodate commercial trading of certificates (not a trading platform)

WREGIS Will Support Regulatory Oversight of ...



- Renewable portfolio standards
- Information disclosure rules
- Consumer protection
- Expenditure of public benefit funds
- Establishing ownership of certificates

WREGIS is a Stakeholder Process



- Sponsored by WGA and the California Energy Commission
- Over 22 stakeholder meetings held since January 2004
- Broad based stakeholder representation
- Over 350 participants, including stakeholders surveyed for Needs Assessment report
- 14 states and 2 provinces represented in WREGIS process

WREGIS Progress and Timeline



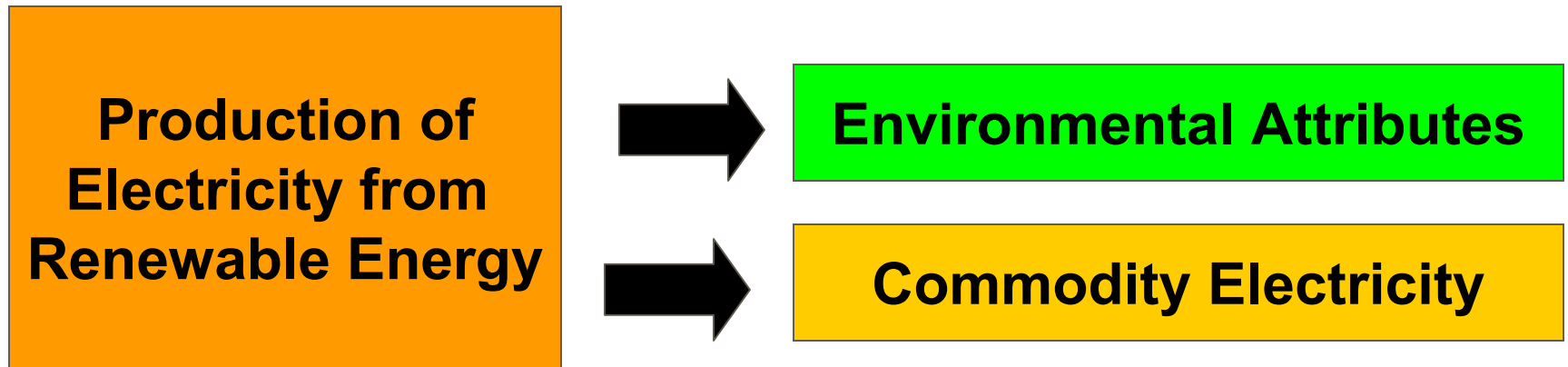
- ✓ Needs assessment survey and six regional workshops, Fall 2003
- ✓ “*Needs Assessment Report*”, December 2004
- ✓ “*Interim Operating Rules: Functional Requirements*”, July 2004
- ✓ WECC agrees to house WREGIS, July 2004
- RFP issued, late 1st quarter 2005
- System developer selected, 2nd quarter 2005
- WREGIS operational by the end of 2005

How WREGIS Works:



- For each MWh of renewable energy generated by a participating generator, WREGIS issues a WREGIS certificate
- The WREGIS certificate will be transferred between accounts when the buyer and seller notify WREGIS
- WREGIS certificates can be retired to show compliance with various programs

What is a Renewable Energy Certificate?



Electricity generated from renewable energy comprises two distinct tradable commodities – the underlying electricity and the associated “environmental” attributes. Renewable energy certificates (known as WREGIS certificates if issued by WREGIS) represent a contractual right to the environmental attributes. The WREGIS certificates have value to consumers and can be sold separately from the electricity.

What's in a WREGIS Certificate?



- The electronic record of renewable generation
- Static and dynamic data fields
 - location
 - technology
 - owner
 - fuel
 - size
 - month/year of generation
- 1 WREGIS certificate = 1 megawatt hour

What Does WREGIS Do?



- Verifies generator characteristics
- Issues certificates to generators based on data received from Control Areas
- Verifies transfer of WREGIS certificates and amount of WREGIS certificates in specific accounts
- Verifies types of WREGIS certificates in those accounts
- Protects against double counting

Account Holders



System operates like an electronic banking system

- When a generator registers, they open an account
- All WREGIS certificates are initially issued to generators accounts
- WREGIS certificates act as the 'currency' that is moved between accounts
- Others who buy/sell renewable energy also open accounts so transactions can be documented and transfer of WREGIS certificates takes place

WREGIS Costs and Fees



Costs:

- Development of software system being covered by the Energy Commission and WGA/WRAP
- On-going operational costs to be covered by user fees

Possible user fees:

- Volumetric fee (cents per MWh)
- Account fee (on all account holders)

WREGIS Looking Forward



- Welcome stakeholder input

Join the list-serve by going to the following URL:

<http://groups.yahoo.com/group/WREGIS-WG/join> or send an e-mail to WREGIS-WG-subscribe@yahoogroups.com

- Working to develop a robust system that cost effectively meets the renewable energy tracking needs of Western regulatory and voluntary market stakeholders

For More Information:



WREGIS website:

www.westgov.org/wieb/wregis/

Contact:

Rasa Keanini

916-654-5379

rkeanini@energy.state.ca.us